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## **DEPARTMENT OF DEFENSE**

### **Office of the Secretary**

#### **Notice for Termination of a Disease Management Demonstration Project for TRICARE Standard Beneficiaries**

**AGENCY:** Office of the Secretary of Defense, (Health Affairs)/TRICARE Management Activity, DoD.

**ACTION:** Notice for termination of a Disease Management Demonstration Project for TRICARE Standard Beneficiaries.

**SUMMARY:** This notice is to advise interested parties of the termination of a Military Health System (MHS) demonstration project entitled “Disease Management Demonstration Project for TRICARE Standard Beneficiaries.” The demonstration provided disease management (DM) services to TRICARE Standard beneficiaries who are not eligible to receive some DM – like services under the basic benefit regulations. TRICARE began the demonstration project in March 2007 for Standard beneficiaries and this demonstration project has enabled the MHS to evaluate the programs and identify ways to improve the provision of effective services by detecting strengths and weaknesses of the programs, as well as evidence of best practices. As the TRICARE Management Activity (TMA) chose a phased approach, the demonstration was extended twice, on March 16, 2009 (74 FR 11089-11090), and again on March 4, 2011 (76 FR 12081-12082), to allow time for all program evaluations. TMA intends to continue to

provide DM services to eligible TRICARE beneficiaries through strategies based on evidence-based best practices, beneficiary's needs, plan category, and location of health care provision.

**DATES:** *Effective date:* March 31, 2013.

**ADDRESSES:** TRICARE Management Activity (TMA), 7700 Arlington Boulevard, Suite 5101, Falls Church, VA 22042–5101.

**FOR FURTHER INFORMATION CONTACT:** Robin Marzullo, TRICARE Management Activity, Office of the Chief Medical Officer (703) 681–6173.

**SUPPLEMENTARY INFORMATION:** As a result of Section 734 Of the 2007 National Defense Authorization Act, the MHS implemented uniform policies and practices for DM throughout the TRICARE network. To include the Standard beneficiaries, who could not receive many of the services that are the cornerstone of DM per the Basic Benefit Regulations, a two year demonstration notice was published June 13 2007 (72 FR 32628 – 32629). The demonstration project provided for measuring the effectiveness of the DM programs in improving the health of TRICARE beneficiaries with chronic conditions. In addition, it allowed the MHS to identify best practices for improving the care management services for individuals with chronic conditions. The demonstration was extended twice. On March 16, 2009 a notice (74 FR 11089 – 11090) was published that extended the demonstration through March 31, 2011 and on March 4, 2011 (76 FR 12081-12082) further extended the demonstration through March 31, 2013.

For several years, TRICARE has been evaluating the best way to provide assistance to people with certain chronic medical conditions. Based on TRICARE's evaluation of best health care practices, we found that chronic medical conditions are best managed as a routine part of good medical practice, and when structured to fit the individual beneficiary's circumstances and their specific health plan. Multiple analyses of the DM program were conducted, and in that same time period other studies for similar programs were piloted nationally that provided additional insight. The results of these analyses and literature reviews provided identification of evidence-based best practices that support the future direction of the MHS disease and chronic condition management programs. These best practices include team based – provider directed care, care coordination, self-management education and transitional care services that target at risk populations, have access to timely data, close interactions with care coordinators and primary care physicians, face-to-face contact with individuals involved in their own care, and supported by practices predominantly staffed by registered nurses.

Given the focus with the primary care provider in moving forward with disease and chronic care management, and the lack of a defined provider for the Standard beneficiaries, TMA has determined that the best course is for the Standard beneficiaries to receive disease and chronic care management direction from the provider of their choosing. TMA envisions the following scenarios related to the distinct structures of the health care benefit within TRICARE (Direct Care through the Military Treatment Facilities, Private Sector Care through contracted and non-contracted network providers,

the US Family Health Plans etc.), chronic care management based on the above mentioned best-practices will be available to beneficiaries and adapted based on these factors. The DM services will also take into consideration the different benefit plans available (Prime, which operates like an HMO and requires enrollment with a primary care provider, vs. Standard which functions as a fee-for-service plan), and will modify the chronic care services provided to best match that plan. For example, Prime beneficiaries enrolled at an MTF would receive their services through a Patient-Centered Medical Home (where available). A Prime beneficiary enrolled to the network would receive DM services provided through the Managed Care Support Contractor's program. A Standard beneficiary not enrolled to a primary care provider, would receive disease and chronic care management from their chosen provider inside or outside the network, and would have access to disease specific educational information through the regional contractor websites or TRICARE online. Since the standard beneficiaries are not required to enroll with a primary care provider, and there is no visibility to the services they receive outside the network, it is not practicable to determine if they are receiving the recommended best-practices, and in turn to measure outcomes and determine effectiveness of care. As a result, it has been determined that Standard beneficiaries are best served being care-managed by the provider of their choosing; the provider being familiar with the Standard beneficiaries gaps in care and on-going needs.

TMA has developed a strategic plan for the on-going provision of disease and chronic care management services, based on the evidence-based best practices noted

above, and have determined that the need for this demonstration has ceased. It is important to note that the end of this demonstration does not change the basic benefit for the Standard beneficiaries; they will continue to have access to all the services identified in 32 CFR 199.4.

Dated: March 12, 2013.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.

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